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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 28, 2005

ITT INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

Indiana (State or other jurisdiction of incorporation)	1-5627 (Commission File Number)	13-5158950 (I.R.S. Employer Identification No.)
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4 West Red Oak Lane White Plains, New York (Address of principal executive offices)	10604 (Zip Code)
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Registrant's telephone number, including area code: (914) 641-2000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (See General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Not Applicable
(Former name or former address, if changed since last report)

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ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

ITEM 7.01 REGULATION FD DISCLOSURE

Attached hereto as Exhibit 99.1 and incorporated by reference herein is financial information for ITT Industries, Inc. for the fourth quarter and full year ending December 31, 2004 and forward-looking statements relating to 2005 as presented in a press release dated January 28, 2005. This information shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

A copy of this press release is attached and incorporated by reference herein as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

99.1 Press release dated January 28, 2005.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this amended report to be signed on its behalf by the undersigned hereunto duly authorized.

ITT INDUSTRIES, INC.

By: /s/ Kathleen S. Stolar

Kathleen S. Stolar

Its: Vice President, Secretary
and Associate General Counsel

Date: January 28, 2005

ITT Industries Reports Record Q4 EPS of \$1.29, Up 12 Percent

- Q4 revenues up 28 percent to \$1.94 billion; organic growth is 13 percent excluding acquisitions and foreign exchange
- FY 2004 EPS is \$4.58, up from \$4.29; FY adjusted earnings grow 17 percent
- FY 2004 revenue up 21 percent to \$6.8 billion, on sales growth in all segments
- Continued momentum in Water/Wastewater with strong order growth
- Steps underway to align cost structure to achieve company's long-term targets

WHITE PLAINS, N.Y., Jan. 28 /PRNewswire/ -- ITT Industries, Inc. (NYSE: ITT) reported fourth quarter 2004 net income of \$121.6 million, up \$13.5 million or 12 percent over the period in 2003. Diluted earnings per share (EPS) for the quarter, including the net impact of special items, was a record high \$1.29, up \$0.14 per share from reported EPS in the fourth quarter 2003. During the fourth quarter 2004, the company realized a \$0.15 per share benefit from the gain on the sale of an investment, which was partially offset by some special items, including restructuring costs, discontinued operations and tax charges of (\$0.14) per share. The net effect of these special items was a \$0.01 per share benefit to reported EPS for the fourth quarter. Adjusting results to exclude the impact of these special items, earnings per share for the fourth quarter 2004 were \$1.28, up 21 percent over the comparable adjusted figure of \$1.06 for the period in 2003.

"We finished 2004 on a positive note, continuing our long-term growth trend in double digit earnings and revenue growth, and we begin 2005 with noticeable momentum, riding a strong increase in order activity across all of our businesses," said Steve Loranger, Chairman, President and Chief Executive Officer. "Fourth quarter orders in our Fluid Technology business grew at the highest rate of the year, particularly within our Water/Wastewater and Industrial Products groups. Even excluding the impact of acquisitions, our water/wastewater business orders continue to grow at a double-digit rate, pointing to a strong year ahead. Our Defense group continues to grow, bringing the backlog to a new record of \$3.45 billion. The Motion & Flow Control and Electronic Components segments posted significant revenue and profit gains through targeted new product introductions and process improvements. In short, the stage is set for continued growth in revenue, earnings and cash flow for 2005."

Fourth quarter 2004 segment operating income was \$202.7 million; excluding restructuring costs, segment operating income was \$216.1 million, up \$39.9 million from the period in 2003. Fourth quarter revenues were up 28 percent to \$1.94 billion, attributable to organic sales growth in all segments, the impact of recent acquisitions in Defense and Fluid Technology, and the positive impact of foreign currency translation. Excluding acquisitions and foreign currency translation, sales grew 13 percent in the quarter.

Full Year 2004 Results

Reported net income for 2004 was \$432.3 million and EPS was \$4.58, up 7 percent and 7 percent respectively over 2003. The comparison includes the \$0.35 per share favorable impact of tax items and net gain on the sale of an investment, and was offset by \$0.33 per share for net restructuring costs and charges related to discontinued operations taken during the year. After restating 2003 figures to adjust for discontinued operations, 2004 EPS grew 17 percent over the adjusted \$3.89 for 2003.

Full year 2004 revenues were \$6.76 billion, up 21 percent from the prior year driven by increased sales in all four segments, recent acquisitions and the positive impact of foreign currency translation. Excluding acquisitions and currency translation, organic revenue growth was 12 percent in 2004. Segment operating income for 2004 was \$717.3 million; excluding restructuring, segment operating income was \$753.3 million, up \$116.6 million over 2003. The company said cash from operations was \$528.6 million, which includes a \$100 million voluntary pre-funding of the company's U.S. salaried pension plan. Free cash flow (defined as cash from operations before pension pre-funding, minus capital spending) was \$463.5 million, down from \$626.4 million in 2003, due to the occurrence of 2003 tax refunds and deferrals, and higher working capital requirements to fund sales growth.

"We expect continued revenue growth and operational improvements in all

of our business areas, and have confidence in our full-year 2005 projected EPS of \$5.00 - \$5.15 with revenue of \$7.15 - \$7.43 billion," Loranger said. "We've begun reinforcing the successful ITT Management System, taking pro-active steps in a series of initiatives, from realignment of our infrastructure to global sourcing and expansion of our Value-Based Six Sigma capabilities, all in an effort to ensure that our costs are in line to achieve our stated earnings target of \$7-\$8 per share by 2008, reflecting our forecast 12 - 16 percent annual EPS growth rate. Beyond our planned Value-Based Six Sigma savings, our goal is to reduce costs by an additional \$25 million per year."

Primary Business Results

Fluid Technology

- Fourth quarter 2004 Fluid Technology revenues rose 23 percent to \$749.1 million, helped by increased demand for water/wastewater treatment systems, the impact of the WEDECO acquisition and the positive impact of foreign currency translation. Organic revenue grew by 9 percent over the fourth quarter 2003.

- Fluid Technology fourth quarter operating income was \$80.3 million; excluding restructuring costs, segment operating income rose 13 percent to \$89.9 million, while operating margin declined 100 basis points due to costs associated with acquisition integration and foreign exchange transactions.
- ITT's water and wastewater businesses continue their growth pattern, with 15 percent organic growth in fourth quarter orders, and 13 percent organic revenue growth. The Advanced Water Treatment unit grew organic revenue by 27 percent. In October ITT was selected to provide the world's largest UV disinfection system in British Columbia, Canada, and was also selected to construct a 30-million gallon/day desalination plant in the Middle East.
- Various business units within Fluid Technology have accelerated their cross-selling activities in order to better leverage the breadth of the company's expertise in fluid management. In the fourth quarter, a joint effort between Goulds and Flygt resulted in ITT capturing one of its largest pump orders to date -- a \$7 million order to supply vertical turbine pumps in California.

Defense Electronics & Services

- Revenues for Defense Electronics & Services rose 49 percent to \$746.6 million in the fourth quarter 2004, due to significant revenue growth within the Systems, Communications and Night Vision units, and the acquisition of Remote Sensing Systems (RSS).
- Fourth quarter segment operating income was \$77.8 million; excluding the effects of restructuring charges in the fourth quarter 2003, segment operating income rose 32 percent on higher revenues and the acquisition of RSS. Operating margin declined 140 basis points due to mix favorability in the fourth quarter 2003.
- The Defense segment backlog reached a record \$3.45 billion for the full year following significant new orders within the unit's Tactical Communications, Night Vision, Space and Systems business units. Segment orders in the fourth quarter were up 18 percent. The company expects to bid on business opportunities worth nearly \$8 billion over the next 18 months.
- The company's Systems business grew revenues by more than 60 percent in the fourth quarter, having won new contracts for military maintenance and operations, as well as engineering services, such as ITT's contract with the Jet Propulsion Laboratory's (JPL) Deep Space Network. The ITT team at JPL tracks the communication of a number of space probes, including the Mars rovers and the Cassini satellite, which recently sent back signals from the European Space Agency probe Huygens of the first ever surface photos of Saturn's moon Titan.

Motion & Flow Control

- Fourth quarter Motion & Flow Control revenues increased 10 percent to \$272.4 million, with significant gains in the Friction Materials, Aerospace Controls and Leisure Marine. Excluding the impact of foreign currency translation, segment revenues grew by 4 percent.
- Segment operating income was \$35.4 million; excluding restructuring costs, segment operating income rose 20 percent to \$37.8 million and operating margin grew by 130 basis points on product mix and process improvements.
- ITT's friction materials revenues increased 29 percent in the fourth quarter, and orders grew 26 percent, as the business continues to improve its competitive position in the OEM and aftermarket segments of the brake pad business. Plans are in place to begin brake pad production in the US in the second half of 2005, with shipments beginning in the third quarter.
- New products, global sourcing and customer service continue to drive growth in revenue and operating income in the Leisure Marine business, particularly in the Spa/Whirlpool unit. New products represented 35 percent of revenues in this business in 2004, up from 25 percent in 2003, and are expected to represent 45 percent of revenues in 2005.

Electronic Components

- Electronic Components revenues for the fourth quarter 2004 rose 15 percent to \$178.6 million, with growth particularly strong in mobile handsets, industrial and aerospace connectors and switches. Organic revenue grew 12 percent over the fourth quarter 2003.
- Fourth quarter 2004 segment operating income was \$9.2 million; excluding restructuring costs, segment operating income for the fourth quarter 2004 grew 68 percent to \$10.6 million as the company begins to see the benefit of restructuring actions taken in recent quarters. Similarly, operating margin grew by 180 basis points.
- The company is expanding its product offering and growing sales in the high-end mechatronics field, which includes control panels, joystick assemblies, multifunction grips and switches for a variety of end products for customers such as Genie and Caterpillar. The company realized greater than 30 percent growth in this business in 2004 and forecasts an additional 24 percent growth in 2005.
- The Electronic Components business continues executing its plan to rationalize its manufacturing footprint and focus its product line on more value-adding products in order to improve operating margins.

NOTE: ITT Industries believes that investors' understanding of the company's operating performance is enhanced by the use of certain non-GAAP financial measures, including adjusted GAAP net income and adjusted GAAP EPS,

which Management considers useful in providing insight into operating performance, as it excludes the impact of special items that cannot be expected to recur on a quarterly basis. Management also believes that investors can better analyze the company's revenue growth by utilizing an organic revenue growth measure that excludes the effect of foreign exchange translation and the effect of recent acquisitions. In addition, Management considers the use of free cash flow to be an important indication of the company's ability to make acquisitions, fund pension obligations, buy back outstanding shares and service debt. Free cash flow, adjusted net income, adjusted EPS and organic revenue are not financial measures under GAAP, should not be considered as substitutes for cash from operating activities, EPS, net income or revenue as defined by GAAP, and may not be comparable to similarly titled measures reported by other companies. A reconciliation to the GAAP equivalents of these non-GAAP measures is set forth in the attached unaudited financial information.

About ITT Industries

ITT Industries, Inc. (<http://www.itt.com>) supplies advanced technology products and services in key markets including: fluid and water management including water treatment; defense communication, opto-electronics, information technology and services; electronic interconnects and switches; and other specialty products. Headquartered in White Plains, NY, the company generated \$6.8 billion in 2004 sales.

In addition to the New York Stock Exchange, ITT Industries stock is traded on the Midwest, Pacific, Paris, London and Frankfurt exchanges.

For free B-roll/video content about ITT Industries, please log onto <http://www.thenewsmarket.com/ITT> to preview and request video. You can receive broadcast-standard video quality digitally or by tape from this site. Registration and video is free to the media.

Certain material presented herein consists of forward-looking statements which involve known and unknown risks, uncertainties and other important factors that could cause actual results to differ materially from those expressed in, or implied from, such forward-looking statements. Such factors include general economic conditions, foreign currency exchange rates, competition and other factors all as more thoroughly set forth in Item 1. Business and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements in the ITT Industries, Inc. Form 10-K Annual Report for the fiscal year ended December 31, 2003, and other of its filings with the Securities and Exchange Commission.

CONSOLIDATED CONDENSED INCOME STATEMENTS
(In millions, except per share)
(Unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2004	2003	2004	2003
Sales and revenues	\$ 1,943.0	\$ 1,513.5	\$ 6,764.1	\$ 5,610.8
Costs of sales and revenues	1,291.1	981.2	4,466.4	3,672.0
Selling, general and administrative expenses	284.7	228.0	991.1	817.2
Research, development and engineering expenses	172.8	149.7	634.0	558.3
Restructuring and asset impairment charges	13.4	12.6	37.7	30.1
Total costs and expenses	1,762.0	1,371.5	6,129.2	5,077.6
Operating income	181.0	142.0	634.9	533.2
Interest expense	16.5	4.9	50.4	43.2
Interest income	3.7	0.4	22.5	53.3
Gain on sale of assets	20.8	-	20.8	-
Miscellaneous expense	7.0	3.1	17.8	7.9
Income from continuing operations before income taxes	182.0	134.4	610.0	535.4
Income tax expense	57.4	23.8	172.5	141.4
Income from continuing operations	124.6	110.6	437.5	394.0
Discontinued operations, including tax income / (exp) of \$1.8, \$(4.8), \$2.9 and \$2.4 in each period, respectively	(3.0)	(2.5)	(5.2)	9.9
Net income	\$ 121.6	\$ 108.1	\$ 432.3	\$ 403.9
Earnings Per Share:				
Income from continuing operations:				
Basic	\$ 1.35	\$ 1.20	\$ 4.74	\$ 4.27
Diluted	\$ 1.32	\$ 1.18	\$ 4.63	\$ 4.18
Discontinued operations:				
Basic	\$ (0.03)	\$ (0.03)	\$ (0.06)	\$ 0.11
Diluted	\$ (0.03)	\$ (0.03)	\$ (0.05)	\$ 0.11
Net income:				
Basic	\$ 1.32	\$ 1.17	\$ 4.68	\$ 4.38
Diluted	\$ 1.29	\$ 1.15	\$ 4.58	\$ 4.29
Average Common Shares -				
Basic	92.3	92.3	92.3	92.1
Diluted	94.3	94.3	94.4	94.1

ITT INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In millions)
(Unaudited)

	December 31, 2004	December 31, 2003
	-----	-----
Assets		
Current Assets:		
Cash and cash equivalents	\$ 262.9	\$ 414.2
Receivables, net	1,174.3	971.5
Inventories, net	708.4	575.8
Current assets of discontinued operations	7.3	8.3
Deferred income taxes	107.2	68.2
Other current assets	69.1	68.9
Total current assets	2,329.2	2,106.9
Plant, property and equipment, net	980.9	892.0
Deferred income taxes	212.1	373.2
Goodwill, net	2,514.1	1,629.1
Other intangible assets, net	246.6	74.8
Other assets	993.8	861.6
Total assets	\$ 7,276.7	\$ 5,937.6
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable	\$ 719.8	\$ 633.1
Accrued expenses	717.2	652.7
Accrued taxes	277.4	253.5
Current liabilities of discontinued operations	-	1.1
Notes payable and current maturities of long-term debt	729.2	141.5
Other current liabilities	2.2	4.6
Total current liabilities	2,445.8	1,686.5
Pension and postretirement benefits	1,378.5	1,403.9
Long-term debt	542.8	460.9
Other liabilities	566.6	538.6
Total liabilities	4,933.7	4,089.9
Shareholders' equity	2,343.0	1,847.7
Total liabilities and shareholders' equity	\$ 7,276.7	\$ 5,937.6

ITT INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Year Ended December 31,	
	2004	2003
Operating Activities		
Net income	\$ 432.3	\$ 403.9
Income (loss) from discontinued operations	5.2	(9.9)
Income from continuing operations	437.5	394.0
Adjustments to income from continuing operations:		
Depreciation and amortization	198.6	186.9
Restructuring and asset impairment charges	37.7	30.1
Payments for restructuring	(33.6)	(24.6)
Change in receivables	(21.8)	(61.6)
Change in inventories	(80.3)	31.0
Change in accounts payable and accrued expenses	16.9	30.1
Change in accrued and deferred taxes	102.4	168.0
Change in other current and non-current assets	(59.9)	(202.7)
Change in other non-current liabilities	(55.2)	25.1
Other, net	(13.7)	3.4
Net cash - operating activities	528.6	579.7
Investing Activities		
Additions to plant, property and equipment	(165.1)	(153.3)
Acquisitions, net of cash acquired	(1,010.0)	(46.2)
Proceeds from sale of assets and businesses	32.3	17.0
Sale of investments	-	43.5
Other, net	0.2	(2.0)
Net cash - investing activities	(1,142.6)	(141.0)
Financing Activities		
Short-term debt, net	554.2	(144.1)
Long-term debt repaid	(68.7)	(42.7)
Long-term debt issued	120.3	0.3
Repurchase of common stock	(159.6)	(69.7)
Proceeds from issuance of common stock	76.8	45.3
Dividends paid	(61.8)	(58.0)
Other, net	(0.2)	-
Net cash - financing activities	461.0	(268.9)
Exchange Rate Effects on Cash and Cash Equivalents	17.6	35.4
Net Cash - Discontinued Operations	(15.9)	6.8
Net change in cash and cash equivalents	(151.3)	212.0
Cash and cash equivalents - beginning of year	414.2	202.2
Cash and Cash Equivalents - end of period	\$ 262.9	\$ 414.2

ITT Industries Non-GAAP Press Release Reconciliation
 Reported vs. Organic Revenue / Orders Growth
 Fourth Quarter and Full Year 2004 & 2003

(\$ Millions)

(As Reported - GAAP)

	Sales & Revenues 3M 2004	Sales & Revenues 3M 2003	Change 2004 vs. 2003	% Change 2004 vs. 2003
ITT Industries - Consolidated	1,943.0	1,513.5	429.5	28%
Fluid Technology	749.1	611.6	137.5	23%
Water Wastewater Division	515.2	387.9	127.3	33%
Advanced Water Treatment	103.2	37.4	65.8	176%
Motion & Flow Control	272.4	248.5	23.9	10%
Electronic Components	178.6	155.0	23.6	15%

	Sales & Revenues Full Year 2004	Sales & Revenues Full Year 2003	Change 2004 vs. 2003	% Change 2004 vs. 2003
ITT Industries - Consolidated	6,764.1	5,610.8	1,153.3	21%

	Orders 3M 2004	Orders 3M 2003	Change 2004 vs. 2003	% Change 2004 vs. 2003
Water Wastewater Division	478.6	346.6	132.0	38%

(As Adjusted - Organic)

	Sales & Revenues 3M 2004	Acqui- sition Contri- bution 3M 2004	FX Contri- bution 3M 2004	Adj. Sales & Revenues 3M 2004	Sales & Revenues 3M 2003
ITT Industries - Consolidated	1,943.0	(185.7)	(49.3)	1,708.0	1,513.5
Fluid Technology	749.1	(48.4)	(31.4)	669.3	611.6
Water Wastewater Division	515.2	(48.4)	(29.7)	437.1	387.9
Advanced Water Treatment	103.2	(48.4)	(7.3)	47.5	37.4
Motion & Flow Control	272.4	(0.7)	(12.5)	259.2	248.5
Electronic Components	178.6	0.0	(5.6)	173.0	155.0
	Sales & Revenues Full Year 2004	Acqui- sition Contri- bution Full Year 2004	FX Contri- bution Full Year 2004	Adj. Sales & Revenues Full Year 2004	Sales & Revenues Full Year 2003
ITT Industries - Consolidated	6,764.1	(326.2)	(184.0)	6,253.9	5,610.8
	Orders 3M 2004	Acqui- sition Contri- bution 3M 2004	FX Contri- bution 3M 2004	Adj. Orders 3M 2004	Orders 3M 2003
Water Wastewater Division	478.6	(55.3)	(26.4)	396.9	346.6

ITT Industries Non-GAAP Press Release Reconciliation
 Reported vs. Organic Revenue / Orders Growth
 Fourth Quarter and Full Year 2004 & 2003

(\$ Millions)

(As Adjusted - Organic)

	Change Adj. 04 vs. 03 -----	% Change Adj. 04 vs. 03 -----
ITT Industries - Consolidated	194.5	13%
Fluid Technology	57.7	9%
Water Wastewater Division	49.2	13%
Advanced Water Treatment	10.1	27%
Motion & Flow Control	10.7	4%
Electronic Components	18.0	12%
	Change Adj. 04 vs. 03 -----	% Change Adj. 04 vs. 03 -----
ITT Industries - Consolidated	643.1	12%
	Change Adj. 04 vs. 03 -----	% Change Adj. 04 vs. 03 -----
Water Wastewater Division	50.3	15%

ITT Industries Non-GAAP Press Release Reconciliation
Segment Operating Income & OI Margin Adjusted for Restructuring
Fourth Quarter and Full Year of 2004 & 2003

(\$ Millions)

	Q4 2004 As Reported -----	Q4 2003 As Reported -----	% Change 04 vs. 03 -----	Q4 2004 As Reported -----	Adjust for 2004 Restruct- uring -----
Sales and Revenues:					
Electronic Components	178.6	155.0		178.6	
Fluid Technology	749.1	611.6		749.1	
Defense Electronics & Services	746.6	501.2		746.6	
Motion & Flow Control	272.4	248.5		272.4	
ITT Industries - Consolidated	1,943.0	1,513.5		1,943.0	
Operating Margin:					
Electronic Components	5.2%	5.2%		5.2%	
Fluid Technology	10.7%	10.9%		10.7%	
Defense Electronics & Services	10.4%	11.6%		10.4%	
Motion & Flow Control	13.0%	12.4%		13.0%	
Total Ongoing Segments	10.4%	10.8%		10.4%	
Income:					
Electronic Components	9.2	8.0	15.0%	9.2	1.4
Fluid Technology	80.3	66.7	20.4%	80.3	9.6
Defense Electronics & Services	77.8	57.9	34.4%	77.8	0.0
Motion & Flow Control	35.4	30.9	14.6%	35.4	2.4
Total Segment Operating Income	202.7	163.5	24.0%	202.7	13.4

ITT Industries Non-GAAP Press Release Reconciliation
Segment Operating Income & OI Margin Adjusted for Restructuring
Fourth Quarter and Full Year of 2004 & 2003

(\$ Millions)

	Q4 2004 As Adjusted	Q4 2003 As Reported	Adjust for 2003 Restruct- uring	Q4 2003 As Adjusted	Change Adj. 04 vs. 03	% Change Adj. 04 vs. 03
	-----	-----	-----	-----	-----	-----
Sales and Revenues:						
Electronic Components	178.6	155.0		155.0		
Fluid Technology	749.1	611.6		611.6		
Defense Electronics & Services	746.6	501.2		501.2		
Motion & Flow Control	272.4	248.5		248.5		
ITT Industries - Consolidated	1,943.0	1,513.5		1,513.5		
Operating Margin:						
Electronic Components	5.9%	5.2%		4.1%	180 BP	
Fluid Technology	12.0%	10.9%		13.0%	(100)BP	
Defense Electronics & Services	10.4%	11.6%		11.8%	(140)BP	
Motion & Flow Control	13.9%	12.4%		12.6%	130 BP	
Total Ongoing Segments	11.1%	10.8%		11.6%	(50)BP	
Income:						
Electronic Components	10.6	8.0	(1.7)	6.3	4.3	68%
Fluid Technology	89.9	66.7	12.9	79.6	10.3	13%
Defense Electronics & Services	77.8	57.9	1.0	58.9	18.9	32%
Motion & Flow Control	37.8	30.9	0.5	31.4	6.4	20%
Total Segment Operating Income	216.1	163.5	12.7	176.2	39.9	23%

	FY 2004 As Reported	FY 2003 As Reported	% Change 04 vs. 03	FY 2004 As Reported	Adjust for 2004 Restruct- uring
	-----	-----	-----	-----	-----
Sales and Revenues:					
ITT Industries - Consolidated	6,764.1	5,610.8		6,764.1	
Operating Margin:					
Total Ongoing Segments	10.6%	10.8%		10.6%	
Income:					
Total Segment Operating Income	717.3	607.9	18.0%	717.3	36.0

	FY 2004 As Adjusted -----	FY 2003 As Reported -----	Adjust for 2003 Restruct- uring -----	FY 2003 As Adjusted -----	Change Adj. 04 vs. 03 -----	% Change Adj. 04 vs. 03 -----
Sales and Revenues:						
ITT Industries - Consolidated	6,764.1	5,610.8		5,610.8		
Operating Margin:						
Total Ongoing Segments	11.1%	10.8%		11.3%	(20.0)BP	
Income:						
Total Segment Operating Income	753.3	607.9	28.8	636.7	116.6	18.3%

ITT Industries Non-GAAP Press Release Reconciliation
 Reported vs. Adjusted Net Income & EPS
 Fourth Quarter of 2004 & 2003

(\$ Millions, except EPS and shares)

	Q4 2004 As Reported -----	Q4 2004 Adjust- ments -----	Q4 2004 As Adjusted -----	Q4 2003 As Reported -----	Q4 2003 Adjust- ments -----	Q4 2003 As Adjusted -----
Segment Operating Income	202.7	13.4	216.1	163.5	12.7	176.2
Interest Income (Expense)	(12.8)	-	(12.8)	(4.5)		(4.5)
Other Income (Expense)	(7.0)	-	(7.0)	(3.1)	-	(3.1)
Gain on sale of Assets	20.8	(20.8)	-	-	-	-
Corporate (Expense)	(21.7)	-	(21.7)	(21.4)	(0.1)	(21.5)
Income from Continuing Operations before Tax	182.0	(7.4)#A	174.6	134.5	12.6#E	147.1
Income Tax Items		1.1#B	1.1		(19.1)#F	(19.1)
Income Tax Expense	(57.5)	2.3#C	(55.2)	(23.8)	(4.0)#G	(27.8)
Total Tax Expense	(57.5)	3.4	(54.1)	(23.8)	(23.1)	(46.9)
Income from Continuing Operations	124.5	(4.0)	120.5	110.7	(10.5)	100.2
Income from Discontinued Operations	(2.9)	2.9#D	0.0	(2.6)	2.6#H	0.0
Net Income	121.6	(1.1)	120.5	108.1	(7.9)	100.2
Diluted EPS	1.29	(0.01)	1.28	1.15	(0.08)	1.06

#A - Remove Restructuring Expense of \$13.4M
 #B - Remove Effect of Favorable Tax Items (\$1.1M)
 #C - Tax Effect of Adjustments #A
 #D - Remove D.O. Income of \$2.9M
 #E - Remove Segment Restructuring Expense of \$12.6M
 #F - Remove Effect of Favorable Tax Items (\$19.1M)
 #G - Tax Effect of Adjustment #E
 #H - Remove D.O. Income of (\$2.6M)

ITT Industries Non-GAAP Press Release Reconciliation
 Reported vs. Adjusted Net Income & EPS
 Fourth Quarter of 2004 & 2003

(\$ Millions, except EPS and shares)

	Change 2004 vs. 2003 As Adjusted -----	Percent Change 2004 vs. 2003 As Adjusted -----
Segment Operating Income		
Interest Income (Expense)		
Other Income (Expense)		
Gain on sale of Assets		
Corporate (Expense)		
Income from Continuing Operations before Tax		
Income Tax Items		
Income Tax Expense		
Total Tax Expense		
Income from Continuing Operations		
Income from Discontinued Operations		
Net Income	20.3	20%
Diluted EPS	\$0.22	21%

- #A - Remove Restructuring Expense of \$13.4M
- #B - Remove Effect of Favorable Tax Items (\$1.1M)
- #C - Tax Effect of Adjustments #A
- #D - Remove D.O. Income of \$2.9M
- #E - Remove Segment Restructuring Expense of \$12.6M
- #F - Remove Effect of Favorable Tax Items (\$19.1M)
- #G - Tax Effect of Adjustment #E
- #H - Remove D.O. Income of (\$2.6M)

ITT Industries Non-GAAP Press Release Reconciliation
Cash From Operating Activities vs. Free Cash Flow
Full Year 2004 & 2003

(\$ Millions)

	FY 04	FY 03
	-----	-----
Income from Continuing Ops	437.5	394.0
Depreciation	175.8	166.3
Amortization	22.8	20.6
Working Capital	(68.1)	87.8
Pension Pre-funding	(100.0)	(200.0)
Other	60.6	111.0
Cash from Operations	528.6	579.7
Capital Expenditures	(165.1)	(153.3)
Pension Pre-funding	100.0	200.0
Free Cash Flow	463.5	626.4

ITT Industries Non-GAAP Press Release Reconciliation
Reported vs. Adjusted Net Income & EPS
Full Year 2004 & 2003

(\$ Millions, except EPS and shares)

	FY 2004 As Reported -----	FY 2004 Adjust- ments -----	FY 2004 As Adjusted -----	FY 2003 As Reported -----	FY 2003 Adjust- ments -----	FY 2003 As Adjusted -----
Segment Operating Income	717.3	36.0 #A	753.3	607.9	28.8#I	636.7
Interest Income (Expense)	(27.9)	(4.2)#B	(32.1)	10.1	(32.3)#J	(22.2)
Other Income (Expense)	(17.8)	1.3#C	(16.5)	(7.9)	-	(7.9)
Gain on sale of Investments	20.8	(20.8)#D	-	-	-	-
Corporate (Expense)	(82.4)	1.7#E	(80.7)	(74.7)	1.3#K	(73.4)
Income from Continuing Operations before Tax	610.0	14.0	624.0	535.4	(2.2)	533.2
Income Tax Items	(16.6)#F	(16.6)	-	-	(26.0)#L	(26.0)
Income Tax Expense	(172.5)	(4.3)#G	(176.8)	(141.4)	0.8#M	(140.6)
Total Tax Expense	(172.5)	(20.9)	(193.4)	(141.4)	(25.2)	(166.6)
Income from Continuing Operations	437.5	(6.9)	430.6	394.0	(27.4)	366.6
Income from Discontinued Operations	(5.2)	5.2#H	0.0	9.9	(9.9)#N	0.0
Net Income	432.3	(1.7)	430.6	403.9	(37.3)	366.6
Diluted EPS	4.58	(0.02)	4.56	4.29	(0.40)	3.89

#A - Remove Restructuring Expense of \$36.0M
#B - Remove Interest Income - Tax Settlement (\$4.2M)
#C - Remove Bond Discount Loss on Redemption of Bonds \$1.3M
#D - Gain on Sale of Investments (\$20.8)
#E - Remove HQ Restructuring Expense of \$1.7M
#F - Remove Effect of Favorable Tax Items
#G - Tax Effect of Adjustments #A - #E
#H - Remove D.O. Income of (\$2.6M)
#I - Remove Restructuring Expense of \$28.8M
#J - Remove Interest Income From Tax Audit Settlements
#K - Remove HQ Restructuring Expense of \$1.3
#L - Remove Effect of Favorable Tax Items
#M - Tax Effect of Adjustments #I, #J and #K
#N - Remove D.O. Income of (\$9.9M)

ITT Industries Non-GAAP Press Release Reconciliation
 Reported vs. Adjusted Net Income & EPS
 Full Year 2004 & 2003

(\$ Millions, except EPS and shares)

	Change 2004 vs. 2003 As Adjusted -----	Percent Change 2004 vs. 2003 As Adjusted -----
Segment Operating Income		
Interest Income (Expense)		
Other Income (Expense)		
Gain on sale of Investments		
Corporate (Expense)		
Income from Continuing Operations before Tax		
Income Tax Items		
Income Tax Expense		
Total Tax Expense		
Income from Continuing Operations		
Income from Discontinued Operations		
Net Income	64.0	17%
Diluted EPS	\$ 0.68	17%

- #A - Remove Restructuring Expense of \$36.0M
- #B - Remove Interest Income - Tax Settlement (\$4.2M)
- #C - Remove Bond Discount Loss on Redemption of Bonds \$1.3M
- #D - Gain on Sale of Investments (\$20.8)
- #E - Remove HQ Restructuring Expense of \$1.7M
- #F - Remove Effect of Favorable Tax Items
- #G - Tax Effect of Adjustments #A - #E
- #H - Remove D.O. Income of (\$2.6M)
- #I - Remove Restructuring Expense of \$28.8M
- #J - Remove Interest Income From Tax Audit Settlements
- #K - Remove HQ Restructuring Expense of \$1.3
- #L - Remove Effect of Favorable Tax Items
- #M - Tax Effect of Adjustments #I, #J and #K
- #N - Remove D.O. Income of (\$9.9M)

SOURCE ITT Industries, Inc.

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